

RAMOTSHERE MOILOA LOCAL MUNICIPALITY



FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR
ENDING
30-06-2008**

RAMOTSHERE MOILOA LOCAL MUNICIPALITY

**FOR THE YEAR ENDED
30-Jun-08**

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GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE COMMITTEE

Councillor MR. M. P. Pilane	Chairperson of the Executive Committee
Councillor BR Dipale	Member of the Executive Committee
Councillor MH Motona	Member of the Executive Committee
Councillor JF Morebantwa	Member of the Executive Committee
Councillor LL Matsobe	Member of the Executive Committee
Councillor SS Moreki	Member of the Executive Committee
Councillor IC Selebogo	Member of the Executive Committee

GRADING OF LOCAL AUTHORITY

Grade 6

AUDITORS

Office of the Auditor-General

BANKERS

First National Bank – Zeerust

REGISTERED OFFICE

Municipal Offices	PO Box 92	(018) 64 21081-5 (Tel.)
Coetzee Street	ZEERUST	(018) 64 23586 (Fax)
ZEERUST		
2865	2865	

MUNICIPAL MANAGER

Mr. KG Chauke

DIRECTOR FINANCE

Mr. JF Cudjoe

MEMBERS OF THE COUNCIL

COUNCILLOR

Clr. Dipale BR Clr.Lerakong K M Clr. Dreyer C.

Clr. Lekalake T.P.	Clr. Magagane I.O	Clr. Malope N.F.
Clr. Manthoko K.I.	Clr. Matsobe L.L	Clr. Mediro P.P.
Clr. Mogapi L.T.	Clr. Moilwa T.B.P	Clr. Mokotong K.P.
Clr. Molebatsi D.D	Clr. Molefe M.A.	Clr. Molwantwa E.R
Clr. Montwedi B.E.	Clr. Morebantwa T.,	Clr. Moreki S.S.
Clr. Moroeng N.T.	Clr. Mosweu B.J.	Clr. Motona M.H.
Clr. Motsosi L.R.	Clr. Pilane M.P.	Clr. Pule K.D.
Clr. Rakgoale M.G.	Clr.Raphunga L.G.	Clr. Saku
Clr. Sedite T.F.	Clr. Selau L.S.	Clr. Selebogo I.C.
Clr. Thwesha A. J.	Clr. Tolo B. A.	Clr. Tsile C. S.
Clr. Tshubi RB		

MAYOR : Councillor M. P. Pilane

APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements set out on pages 1-14 were approved by the Municipal Manager on 29 August 2008.

.....
MUNICIPAL MANAGER

(Accounting Officer)

DATE :

.....
Director Finance

DATE :

RAMOTSHERE MOILOA LOCAL MUNICIPALITY

DIRECTOR FINANCE REPORT

1. OPERATING RESULTS

For the year 30 June 2008, the municipality had a surplus of R14 588 949 compared to R 7 770 505 in the prior year.

Refer to APPENDIX D, for the detailed Income Statements

2. CAPITAL EXPENDITURE

Description	2007/8 Actual	2006/7 Actual
Expenditure	10 723 177	6 877 957

3. EXTERNAL LOANS

Loan was taken from DBSA for an amount of R0 during the year.

4. INVESTMENTS

For the financial year 2007/2008 the investments balance at the end of the year amounted to R8 143 417.

5. DEBTORS

Consumer debtors increased by R 3 564 003. to R 36 650 369 (2007: R32 942 366), an average increase of 10%. This indicates that the measures implemented to recover outstanding debtors were inadequate, with the resulting negative impact on the cash flow position of the council. However a provision for bad debts at 30 June 2008 amounted to R11 964 956.00 has been raised.

6. CASHFLOW

For the year under review, liquidity was not positive and healthy. The municipality moved from positive balance of R4 663 666.00 to a balance of (R 4 605 686.00) last year.

7. FUNDS AND RESERVES

The council does not have sufficient investments to cover funds and reserves. Accumulated funds, reserves and trust funds amounted to R20 238 278.00 million whilst total internal and external investments (Including Cash and Investments) amounted to R8 143 417.00 million thus resulting in a shortfall of R12 094 861.00

8. PROVISIONS

Provisions amounting to R13 416 018.00 were made for the current year under review from the operating account, in respect bad debts and leave pay.

9. Post Balance Sheet Events

Subsequent to 30 June 2008, the municipality did not enter into any agreement (both favourably and non-favourably).

EXPRESSION OF APPRECIATION

Herewith my sincere gratitude towards Council members, Municipal Manager and Heads of Departments, for their valued support and co-operation during the year. A special word of thanks to the employees in all the Departments for their diligence, zeal and ou

.....
MR J F CUDJOE
DIRECTOR FINANCE

Date:.....

ACCOUNTING POLICIES:

1. BASIS OF PREPARATION

1.1 These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Treasurers and Accountants in its Code of Accounting Practice (1997) and Report on Published Annual Financial Statements (Second Edition January 1996).

1.2 The financial statements are prepared on the historical cost basis, adjusted for fixed assets as more fully detailed in Accounting Policy note 4. The accounting policies are consistent with those applied in the previous year, except if otherwise indicated.

1.3 The financial statements are prepared on the accrual basis as stated:

- Income is accrued when measurable and available to finance operators. Certain direct income is accrued when received, such as traffic fines and certain licenses.
- Expenditure is accrued in the year it is incurred.

2. Consolidation

The Financial Statements include the Rate and General services, Housing service, Trading services and the different funds and reserves. All inter departmental charges are set-off against each other, with the exception of assessment rates, refuse removal, sewerage, electricity, water and premiums charged by the insurance fund, which are treated as income and expenditure in the respective departments.

3. Fixed Assets

3.1 Fixed Assets are stated:

- at historical cost, or
 - at valuation (based on the market price at date of acquisition), where assets have been acquired by grant or donation,
- while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their estimated life as determined by the Director for Finance.

3.2 Depreciation

The balance shown against the heading "Loans Redeemed and Other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation, however, certain structural differences do exist. By way of this "Provision" assets are written down over their estimated useful life. Apart from advances from the various council funds, assets may also be acquired through:

- Appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income, and therefore it is unnecessary to make any further provision for depreciation.

- Grant or donation, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and Other Capital Receipts" account.

3.3 All net proceeds from the sale of all assets (excluding Land) are credited to the Capital Development Fund.

3.4 Fixed assets are financed from the different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans or advances. Interest is charged to the service concerned at the ruling interest rate applicable at the time that the advance is made.

4. Inventory

Inventory is valued at lower of cost, determined on the weighted average, and net realisable value.

5. FUNDS AND RESERVES

5.1 Capital Development Fund

The Capital Development Fund Ordinance No. 9 of 1978, requires a minimum contribution of 1 (one) percent of the defined income of a local authority for the immediately preceding financial year.

5.2 Loan Redemption Fund

The redemption of Ramotshere Moiloa Local Municipality stock in the Consolidated Loans Fund is provided for by the annual repayment of advances made to the borrowing accounts calculated on the estimated life of assets acquired but subject to a limitation of a maximization of 30 years on the life of any individual asset. Internal loans are repaid in relation to the life of an asset. Redemption on government loans is paid half yearly on an annuity basis.

5.3 Insurance Fund

A general Insurance Fund is maintained to cover claims that may occur. Premiums are charged to the respective services, taking into account past claims and replacement value of the insured assets. Reinsurance cover is carried for major losses.

5.4 Other Funds

In addition to the Funds and Reserves listed under 5.1 to 5.4, municipality have other funds and reserves, as indicated on the Director Finance Report, Paragraph 7.

5.4.1 Land Trust Fund.

The proceeds on municipal property sold is credited to this fund and can be utilised for capital development.

5.4.2 IT funds

IT funds are for all it equipment that is being utilised for upgrading. A minimum annual contribution of R0 is made against this fund.

5.4.3 Valuation Fund

A minimum annual contribution of R0 is made against this fund. Provision has been made in 2008/2009 budget for R4 000 000.00

5.4.4 Vehicles Mechanical Workshop

A minimum annual contribution of R52 600 is made against this fund.

These policies reserve, where necessary, has been provided and is shown in Annexure A.

6. RETIREMENT BENEFITS

Ramotshere Moiloa Local Municipality and its employees contribute to the Local Authorities Pension Fund, the Local Authorities Gratuity Fund, and the Local Authorities Retirement Fund and its councillors contribute to the Local Authorities Pension Fund for Councillors, which provides retirement benefits to such employees and councillors.

The retirement benefit plan is subject to the Pension Funds Act, 1956, with pensions being calculated on the final pensionable remuneration paid. Current contributions are charged against operating income on the basis of current service costs.

Full actual valuations are performed at least every three years.

7. Surpluses and Deficits

Any surpluses or deficits arising from the operation of the Electricity and Water services are transferred to Rate and General services.

8. Treatment of administration and other overhead expenses.

8.1 Administration expenses are charged to the various services at a constant amount.

9. Investments

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred. Investments comprise surplus funds that are invested at approved financial institutions at a market related interest rates.

10. Leased Assets

Fixed assets held under finance leases are capitalised. Such assets are effectively amortised over the term of the lease agreement.

Lease finance charges are allocated to accounting periods over the duration of the leases, by the effective interest rate method, which reflects the extent and cost of lease finance utilised in each accounting period

All other leases are treated as operating leases and the relevant rentals are charged the operating account in a systematic manner related to the period of use of the assets concerned

11. Income recognition

11.1 Electricity and Water Billings

Meters in industrial areas, premises with high tension supplies, high density residential areas and certain selected residential areas are read and billed monthly.

Meters on all other properties are read quarterly and are provisionally billed monthly for the first two months of the period, with the necessary adjustment being made in the third month.

11.2 Assessment Rates

Ramotshere Moiloa Local Municipality applies a differential site rating system. In terms of this system the assessment rates are levied on the land value of property, and rebates are granted according to the use to which a particular property is put. Rebates were granted to the owners of land accommodating dwelling units. Further relief based on conditions relating to age and income, was provided to the needy aged owners of property.

BALANCE SHEET AT 30 JUNE 2008

	Note	2008 R	2007 R
CAPITAL EMPLOYED			
FUNDS AND RESERVES			
Statutory funds	1	16 382 682	16 794 486
Reserves	2	3 855 596	3 860 288
RETAINED INCOME	16	14 588 949	7 760 980
LONG-TERM LIABILITIES	3	7 510 872	7 977 759
CONSUMER DEPOSITS:SERVICES	4	1 199 144	1 206 034
		43 537 243	37 599 548
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	5	10 037 959	11 482 611
LONGTERM DEBTORS	6	2 494 879	2 853 190
		12 532 837	14 335 801
NET CURRENT ASSETS		31 004 406	23 263 747
CURRENT ASSETS		53 416 800	53 406 686
Debtors	8	36 506 369	32 942 366
Stock		2 739 676	1 928 067
Short term deposits	7	8 143 417	7 790 546
Short term portion of long term debtors	6	298 169	
Bank	13	5 726 367	10 742 905
Cash	21 9	2 802	2 802
CURRENT LIABILITIES		22 412 395	30 142 939
Provisions	10	11 954 956	10 526 000
Creditors	9	4 707 895	4 524 394
Suspense Account	10	5 094 260	14 427 736
Overdraft	13		
Short term portion of long-term liabilities	3	655 284	655 284
Discrepancy in Internal Loans			9 525
		43 537 243	37 599 548

INCOME STATEMENT FOR THE YEAR ENDED

30 JUNE 2008

2007 Actual income R	2007 Actual expenditure R	2007 Surplus/ (Deficit) R		2008 Actual income R	2008 Actual expenditure R	2008 Surplus/ (Deficit) R
			RATE AND GENERAL SERVICES			
42 673 949	49 969 440	(7 295 491)		56 369 422	63 566 686	-7 197 264
35 923 301	33 600 563	2 322 738	Community services	45 212 665	44 212 737	999 928
881 380	10 663 397	-9 782 017	Subsidised Services	2 940 446	11 741 619	-8 801 173
5 869 268	5 705 480	163 788	Economic services	8 216 311	7 612 330	603 981
195 024	70 198	124 826	HOUSING SERVICES	0	0	0
21 601 407	17 809 191	3 792 216	TRADING SERVICES	20 900 014	17 034 100	3 865 914
64 470 380	67 848 829	-3 378 449	TOTAL	77 269 437	80 600 787	-3 331 350
	119 658		Appropriations for this year			10 149 794
	-3 258 790		Net surplus for the year			6 818 444
	11 019 770		Accumulated surplus beginning of the year			7 770 505
	7 760 980		ACCUMULATED SURPLUS END OF THE YEAR			14 588 949

(Refer to appendix D and E for more detail)

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 R	2007 R
CASH RETAINED FROM OPERATING ACTIVITIES:		(5 463 176)	5 491 472
Cash generated by operations	17	3 901 080	(914 820)
Investment income			
(Increase)/decrease in working capital	18	(11 856 946)	6 406 292
		(7 955 866)	5 491 472
Less: External interest paid		(2 492 690)	0
Cash available from operations		(5 463 176)	(5 684 322)
Net proceeds on disposal of fixed assets		0	0
CASH UTILISED IN INVESTING ACTIVITIES			
Investment in Fixed Assets		1 266 397	(885 786)
NET CASH FLOW		(4 196 779)	4 605 686
CASH EFFECTS OF FINANCING ACTIVITIES:			
Increase/(decrease) in long-term Loans	19	(466 888)	835 390
(Increase)/decrease in cash investments	20	(352 871)	(111 513)
(Increase)/decrease in cash	21	5 016 538	(5 329 564)
Net cash (generated)/utilised		4 196 779	(4 605 686)

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

		2008	2007
		R	R
1 STATUTORY FUNDS			
Capital Development Fund		12 210 119	11 369 905
Redemption Fund		0	0
Revolving Fund		3 637 922	3 636 913
Land Trust Fund		534 642	1 787 668
		<u>16 382 683</u>	<u>16 794 486</u>
(Refer to appendix A for more detail)			
2 RESERVES			
Economic housing		34 681	34 681
Municipal Buildings		45 314	45 314
Town Treasurer		1 587	1 587
Vehicle Mec. Workshop		117 354	124 149
Sport Facilities		63 219	61 115
Mine Houses		14 727	14 727
Rent Loss		70 763	70 763
Community Facilities		24 817	24 817
Road Service Fund		954	954
Leave Reserve Fund		2 417 511	2 417 511
Valuation Fund		226 355	226 355
Insurance Fund		494 386	494 386
Library Fund		2 616	2 616
Damoewer Funds		0	0
IT Fund		336 938	336 938
Furniture for Museum		2 646	2 646
Town Embellishment Fund		526	526
Subsidy Roads		1 201	1 201
		<u>3 855 596</u>	<u>3 860 288</u>
(Refer to appendix A for more detail)			
3 LONG TERM LIABILITIES			
Local Registered Stock		0	0
Annuity Loans		8 166 156	8 633 043
Less: Short term portion		655 284	655 284
		<u>7 510 872</u>	<u>7 977 759</u>
(Refer Appendix B for more detail)			
4 CONSUMER DEPOSITS			
Consumers deposits	2	1 059 338	1 058 148
Sundry deposits	3	139 806	147 886
		<u>1 199 144</u>	<u>1 206 034</u>
INVENTORY			
Stock	7	2 739 676	1 928 067
		<u>2 739 676</u>	<u>1 928 067</u>
5 FIXED ASSETS			

Fixed assets at the beginning of the year	11 482 611	10 098 065
Capital expenditure during the year	10 723 177	5 172 330
Less: Assets written off, transferred or disposed of during the year		
Total fixed assets	<u>22 205 788</u>	<u>15 270 395</u>
Less: Loans redeemed and other capital receipts	<u>12 167 830</u>	<u>3 787 784</u>
Refer to Balance sheet	<u>10 037 959</u>	<u>11 482 611</u>
(Refer to appendix C and section 2 of the Treasurer's Report for more details on fixed assets)		

		2008	2007
6 LONGTERM DEBTORS	R		R
Long term debtors	6	2 793 048	2 853 555
Less: Short-term portion transferred to Current debtors	16	298 169	157 432
		<u>2 494 879</u>	<u>3 010 987</u>

7 INVESTMENTS

Unlisted	4	8 126 043	7 774 748
Insurance Companies	5	17 374	15 798
Fixed Deposits		<u>8 143 417</u>	<u>7 790 546</u>

Section 125 of the Local Authorities Ordinance, No. 25 of 1974, requires local authorities to invest funds, which are not immediately required, with prescribed institutions. No investments have been written off during the year.

8 DEBTORS

Current debtors (consumer and other)	8	35 258 813	31 343 144
Vat (Due by SARS)	12	1 247 555	1 599 222
		36 506 369	32 942 366
Less: Provision for bad debts	1	11 954 956	10 526 000
Net current debtors		<u>24 551 413</u>	<u>22 416 366</u>

No debts were written off as bad debts.

		2008	2007
9 CREDITORS	R		R
Trade Creditors	11	4 707 895	4 524 394
		<u>4 707 895</u>	<u>4 524 394</u>
10 SUSPENSE ACCOUNT			
Suspense Account	10	5 094 260	14 427 736
		<u>5 094 260</u>	<u>14 427 736</u>
11 ASSESSMENT RATES			
		Actual income	Actual income

	2008	2007
R	R	
	9 488 471	915 505

12 COUNCILLORS' REMUNERATION

	2008	2007
R	R	
Mayor's Allowance	481 696	448 097
Deputy Mayor's Allowance		
Speaker's Allowance	388 236	361 158
Executive Committee Allowance	1 210 482	1 126 044
Councillors' Allowances	3 878 576	3 608 046
	5 958 990	5 543 345

13 FINANCE TRANSACTIONS

	2008	2007
R	R	
Total external interest earned		
Interest earned	478 517	422 624
	478 517	422 624
Capital charges debited to operating account:		
Interest: External	1 407 631	1 876 358
Internal	481 355	594 189
Redemption: External	603 704	383 901
Internal	1 029 834	1 128 352
	3 522 524	3 982 800

14 APPROPRIATIONS

Appropriation account		
Unappropriated Surplus at the beginning of the year	7 770 505	14 020 170
Operating surplus for the year	(3 331 350)	4 411 455
Prior year adjustments	10 149 794	(6 944 134)
	14 588 949	11 487 491

Operating account		
Capital expenditure	849 476	1 150 560
Contributions to:		
Provisions	526 000	5 000 000
Reserves	2 157 304	1 132 000
Capital Development Fund	767 960	730 000
	4 300 740	3 512 560

	2008	2007
R		R

15 CASH GENERATED BY OPERATIONS

Surplus for the year	(3 331 350)	3 378 448
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Adjustments in respect of:

Previous years' operating transactions	10 149 794	119 658
Discrepancy in Internal Advances	(5 147)	4 378

Appropriations charged against income:

. Capital Development Fund	892 317	3 523 262
. Reserves	840 213	1 355 510
	52 104	2 167 752

Capital Charges:

. Interest paid:	2 492 690	2 854 448
- to internal funds	481 355	594 189
- on external funds	1 407 631	1 876 358
. Redemption		
- of external loans	603 704	383 901

Investment income (operating account)

Non-operating income:	69 464	502 634
. Statutory Funds	69 464	502 634

Non-operating expenditure:

. Statutory Funds	1 381 308	2 278 599
. Reserves	1 324 512	618 309
	56 796	1 660 290
	3 901 080	(4 361 563)

	2008	2007
	R	R
16 (INCREASE)/DECREASE IN WORKING CAPITAL		
(Increase)/decrease in debtors	(2 074 539)	(6 006 887)
Increase/(decrease) in Deposits	(6 890)	107 014
Increase/(decrease) in Suspense Account	(9 147 408)	7 036 194
(Increase)/decrease in Stock	(811 609)	(504 965)
Increase/(decrease) in creditors	183 501	(4 808 563)
	<u>(11 856 945)</u>	<u>(4 177 207)</u>
17 INCREASE/(DECREASE) IN LONG-TERM LOANS (EXTERNAL)		
Loans raised	0	414 470
Loans repaid	466 888	563 166
	<u>(466 888)</u>	<u>(148 695)</u>
18 (INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENT		
Investment realised		
Investment made	(352 871)	(5 486 111)
	<u>(352 871)</u>	<u>(5 486 111)</u>
19 (INCREASE)/DECREASE IN CASH ON HAND		
Cash balance at beginning of the year	10 742 905	23 449 381
Less: Cash balance at the end of the year	5 726 367	10 742 905
	<u>5 016 538</u>	<u>12 703 674</u>

2008

20 EMPLOYEE RELATED COSTS

R
39 106 530
39 106 530

Remuneration of Municipal Manager

612 339
612 339

Remuneration of Individual Directors
30 June 2008

Financial Services	Technical Services
R	R
297 299	445 949
297 299	445 949

Remuneration of Individual Directors
30 June 2008

Corporate Services	Community Services
R	R
260 137	445 949
260 137	445 949

APPENDIX A

STATUTORY FUNDS, RESERVES AND TRUST FUNDS

		Balance at	Contribution	Interest	Other	Expenditure	Balance at
		2007/06/30	during	on	income	during	2008/06/30
		R	R	R	R	R	R
ACCUMULATED FUNDS							
Capital Development Fund	1	11 369 905	368 200	472 013	0	0	12 210 119
Redemption Fund	2	0	0	0	0	0	0
Revolving Fund	3	3 636 913	0	2 064	1 055	0	3 637 922
Land Trust Fund	4	1 787 668	0	59 745	9 719	1 324 512	534 642
		<u>16 794 486</u>	<u>368 200</u>	<u>533 822</u>	<u>10 774</u>	<u>1 324 512</u>	<u>16 382 683</u>
RESERVES							
Economic housing	5	34 681	0	0	0	0	34 681
Municipal Buildings	6	45 314	0	0	0	0	45 314
Town Treasurer	7	1 587	0	0	0	0	1 587
Vehicle Mec. Workshop	8	124 149	50 000	0	0	56 796	117 354
Sport Facilities	9	61 115	2 104	0	0	0	63 219
Mine Houses	10	14 727	0	0	0	0	14 727
Rent Loss	11	70 763	0	0	0	0	70 763
Community Facilities	12	24 817	0	0	0	0	24 817
Road Service Fund	13	954	0	0	0	0	954
Leave Reserve Fund	14	2 417 511	0	0	0	0	2 417 511
Valuation Fund	15	226 355	0	0	0	0	226 355
Insurance Fund	16	494 386	0	0	0	0	494 386
Library Fund	17	2 616	0	0	0	0	2 616
Damoewer Funds	18	0	0	0	0	0	0
IT Fund	20	336 938	0	0	0	0	336 938
Furniture for Museum	21	2 646	0	0	0	0	2 646
Town Embellishment Fund	22	526	0	0	0	0	526
Subsidy Roads	23	1 201	0	0	0	0	1 201
		<u>3 860 286</u>	<u>52 104</u>	<u>0</u>	<u>0</u>	<u>56 796</u>	<u>3 855 595</u>

APPENDIX B

EXTERNAL LOANS AND INTERNAL ADVANCES

EXTERNAL LOANS	Loan Redeemable No.		Balance at 2007/06/30 R	Received during the year R	Redeemed or written off during the year R	Balance at 2008/06/30 R
Local Registered Stock Issued						
1975@11.7%	12	2004	1	0	0	0
1973@8.65%	14	2003	3	0	0	0
1984@15.9%	33	2004	2	0	0	0
1984@16.5%	34	2004	4	0	0	0
				0	0	0

Annuity Loans	5	8 633 043	0	466 888	8 166 156
		8 633 043	0	466 888	8 166 156

INTERNAL ADVANCES TO BORROWING SERVICE		Balance at 2007/06/30 R	Received during the year R	Redeemed or written off during the year R	Balance at 2008/06/30 R
Revolving Fund	6	145 233		6 685	138 548
Loans Redeemable Fund	7	93 414		93 414	0
Capital Development Fund	8	4 720 135		884 351	3 835 784
		4 958 782		984 450	3 974 332

APPENDIX C
ANALYSIS OF FIXED ASSETS

Expenditure 2007	SERVICE	Written off transferred redeemed or disposed			
		Budget 2008	Balance at 2007/06/30	Expenditure of during 2008 the year	Balance at 2008/06/30
R		R	R	R	R
5 028 578	RATE AND GENERAL SERVICES	0	45 441 166	10 248 798	0
14 089 877	Community Services	0	14 089 877	9 890 363	0
104 193	Cemetery	1	104 193	0	104 193
9 754 947	Public Works	2	9 754 947	9 850 410	19 605 358
2 440 733	Council General	3	2 440 733	27 945	2 468 678
31 751	Corporate Services	4	31 751	0	31 751
1 159 270	Financial Services	5	1 159 270	12 008	1 171 278
545 686	Fire Protection	6	545 686	0	545 686
53 297	Municipal Manager	7	53 297	0	53 297
12 827 002	Subsidised Services	0	12 827 003	340 951	0
2 006 902	Civic Buildings	9	2 006 902	0	2 006 902
67 933	Ambulance	8	67 933	0	67 933
9 769 546	Mechanical Workshop	10	9 769 546	339 548	10 109 094
49 506	Library	11	49 506	0	49 506
5 141	Museum	15	5 141	0	5 141
389 420	Health Services	13	389 420	0	389 420
239 376	Civil Engineering Services	14	239 376	0	239 376
299 178	Parks and Recreation	12	299 178	1 403	300 581
18 524 286	Economic Services	0	18 524 286	17 483	0
7 646 035	Fixed Assets	16	7 646 035	0	7 646 035
1 391 278	Licensing	17	1 391 278	1 812	1 393 091
9 486 973	Sewerage	18	9 486 973	15 671	9 502 644
347 609	HOUSING SERVICES	0	247 609	0	0
347 609	Economic Housing	19	347 609	0	347 609
19 560 556	TRADING SERVICES	0	19 560 556	474 379	0
7 431 451	Electricity	20	7 431 451	421 531	7 852 982
12 129 105	Water	21	12 129 105	52 848	12 181 953
65 349 330	TOTAL FIXED ASSETS	0	65 349 330	10 723 177	0
LESS: LOANS REDEEMED AND OTHER					
53 866 719	CAPITAL RECEIPTS	53 866 719	12 167 860	0	66 034 548
22 041 091	Loans redeemed and Advances Paid	22	22 041 091	1 444 653	23 485 744
10 118 957	Contributions ex operating income	23	10 118 957	2 186 537	12 305 494
8 132 033	Provisions and reserves	24	8 132 033	0	8 132 033
13 564 128	Grants and subsidies	25	13 564 128	8 536 640	22 100 768
10 510	Public contributions	26	10 510	0	10 510
NET FIXED ASSETS		11 482 611	(1 444 653)	0	10 037 959

APPENDIX D

ANALYSIS OF OPERATING INCOME AND EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2008

Actual 2007 R			Actual 2008 R	Budget 2008 R
INCOME				
	Government and Provincial grants and subsidies	7	37 211 556	39 360 600
21 660 050				
35 002 658	Income from Tariffs, Service Charges etc.	9	40 057 882	61 854 423
56 662 708			77 269 438	101 215 023
EXPENDITURE				
23 445 785	Salaries, wages and allowances	1	39 106 530	48 584 861
15 875 030	General expenses	2	15 915 593	19 594 612
5 267 447	Repairs and maintenance	3	5 773 342	4 533 452
2 897 913	Capital charges	4	3 522 524	6 477 742
1 069 406	Contributions to fixed assets	5	9 476 691	16 571 096
2 496 731	Contributions to funds	6	6 806 107	5 453 260
51 052 312			80 600 788	101 215 024
920 868	Less: Charged out	10	0	0
4 689 528			-3 331 350	0
			16 282 798	6 877 957

APPENDIX E

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

2007			2008			2008			2008			2008		
Actual	Actual	Surplus/		Actual	Actual	Surplus/		Actual	Actual	Surplus/		Budget	Actual	Actual
income	expenditure	(Deficit)		income	expenditure	(Deficit)		income	expenditure	(Deficit)		Surplus/	income	expenditure
R	R	R		R	R	R		R	R	R		(Deficit)	R	R
RATE AND GENERAL SERVICE														
30 496 710	21 135 763	9 360 947	Community Services	45 212 665	44 212 737	999 928	12 376 880							
8 913 063	216 445	8 696 619	Assessment Rates	1	9 488 471	0	9 488 471	-14 543 375						
20 514 121	5 422 379	15 091 742	Council General Expenditu	2	28 316 788	13 051 669	15 265 119	12 434 907						
0	0	0	Fire Protection	3	0	0	0	0						
30 669	227 574	(196 905)	Cemetary	4	29 190	414 062	(384 872)	275 305						
21 865	6 967 583	(6 945 718)	Public Works	5	5 801 820	17 415 184	(11 613 364)	7 515 920						
0	1 316 734	(1 316 734)	Municipal Manager	6	0	1 681 604	(1 681 604)	-48 868						
0	298 772	(298 772)	Internal Audit	7	0	331 882	(331 882)	350 000						
148 290	1 789 897	(1 641 608)	Corporate Services	8	6 343	4 812 201	(4 805 858)	6 240 002						
0	0	0	Human Resources	9			0							
868 702	3 894 037	(3 025 335)	Finance	10	1 570 053	6 126 018	(4 555 965)	-884 515						
0	1 002 341	(1 002 341)	Streets	11	0	380 117	(380 117)	1 037 504						
1 194 279	8 758 655	(7 564 376)	Subsidised Services	2 673 387	11 741 619	(9 068 232)	13 872 689							
172 015	2 175 419	(2 003 405)	Municipal Buildings	12	411 715	2 643 131	(2 231 416)	3 068 019						
612 000	3 252 750	(2 640 750)	Mechanical Workshop	13	0	4 926 297	(4 926 297)	5 732 731						
12 264	586 238	(573 974)	Library	14	10 956	786 882	(775 926)	860 608						
8 360	1 086 934	(1 078 574)	Parks and Recreation	15	4 556	1 152 080	(1 147 524)	1 646 964						
269 421	1 081 922	(812 501)	Health Services	16	2 187 001	1 798 177	388 824	1 183 058						
219	495 297	(495 078)	Civil Engineering Services	17	59 159	435 052	(375 893)	1 381 309						
120 000	80 094	39 906	Electric engineering Servic	18	0	0	0	0						
5 113 399	5 249 219	(135 820)	Economic Services	8 483 370	7 612 330	871 040	2 340 661							
150 904	150 995	(91)	Fixed Assets	20	267 059	0	267 059	0						
1 785 345	798 597	(13 252)	Licencing	21	4 508 234	2 348 275	2 159 959	1 524 271						
1 193 899	1 376 334	(182 435)	Sewerage	22	1 542 866	3 193 244	(1 650 378)	-1 678 755						
0	120 192	(120 192)	Sewerage reticulation	23	0	0	0	0						
130 924	756 925	(626 001)	Septic Tanks	24	0	0	0	0						
1 852 325	1 046 175	806 151	Refuse	25	2 165 211	2 070 811	94 400	2 495 145						
189 159	51 427	137 732	Housing Service	0	0	0	0	0						
189 159	51 427	137 732	Economic Services	26	0	0	0	0						
19 678 272	16 787 227	2 891 045	TRADING SERVICE	20 900 014	17 034 100	3 865 914	(16 571 681)							
14 569 976	12 800 565	1 769 411	Electricity	27	16 579 897	11 751 369	4 828 528	-6 775 437						
5 108 297	3 986 662	1 121 634	Water	28	4 320 117	5 282 731	(962 614)	-9 796 244						
56 671 819	51 982 291	4 689 528	TOTAL	77 269 437	80 600 787	(3 331 350)	12 018 550							
		(7 689 928)	Prior Year Adjustment				10 149 794							
		(3 000 400)	Net surplus for the year				6 818 444							
		14 020 170	Accumulated surplus beginning of the year	14			7 770 505							
Adjustment		0	ACCUMULATED SURPL	14			14 588 949							
		11 019 770	END OF THE YEAR											
		0												